

Cross-functional teams

A think tank, fresh perspectives on problems, new ideas, strengthening business relationships with clients...

The benefits of cross-functional teams for sole practitioners are many, writes Jann Dyer



Jann Dyer is a regular contributor to the *Journal*. Email: jann.dyer@clear.net.nz

MANY sole practitioners are using innovative approaches to coordinate and make use of cross-functional teams. In some cases, such teams will comprise a range of different specialists, while in others it will include a group of Chartered Accountants from different regions and/or different areas of specialist interest.

For a large practice, a cross-functional team may be easy to put together. For the sole practitioner, such teams are a little more difficult to build but that is not to suggest they should be dismissed.

Though cross-functional teams are most frequently used for one-off projects, they are also gaining acceptance as a permanent business structure with a brief to focus on the delivery of top-quality client service and maintain best practice.

Cross-functional teams offer a range of benefits that may not be so readily attainable with a less-structured group of individual specialists. Benefits include the ability to rectify mistakes or procedural errors more effectively, as well as those derived from having a whole-picture perspective when fresh ideas or solutions are called for. Aside from crisis management, more long-term solutions are likely to result from cross-functional team work, as opposed to the quick-fixes that often come from less coordinated input.

Why use a cross-functional team?

Cross-functional teams have a wide variety of uses. For Chartered Accountants, the

application of such teams depends on the type of practice they have or are planning to establish. To streamline your existing business, you might look for input from a different range of professionals. Alternatively, you may want to improve your own expertise within a specific field.

New legislation

Though many Chartered Accountants already use cross-functional teams to work on Inland Revenue and ACC-related issues, there are many other areas where legislation can have an indirect impact on your practice – via your clients.

To be truly effective, cross-functional teams need to be more than networking groups – they need to have a specific purpose with clearly identifiable and achievable goals

New ideas

Cross-functional teams are particularly useful for both generating and implementing new ideas. The real value comes from the range of solutions that a group can generate as opposed to those offered by one individual in isolation. Of course, this also applies to the potential range of related processes and systems that any one solution may require.

Remember too, that it's not necessary to confine team membership to those from different professional disciplines. Your team could comprise Chartered Accountants from different geographical locations and/or different fields of specialty. Both of these general options have the potential to present you with different ideas and methods for even the most basic tasks.

For example, the majority of your clients may be affected by a specific area of legislation – these could include import/export regulations or licences/permits pertaining to where, when and how certain business activities are conducted.

Some other ideas

Cross-functional teams could also be developed for the purpose of providing a better service to a specific type of client. Client categories that come to mind are those involved in agriculture within rural communities, but there are many others.

Being up-to-date with relevant business matters pertaining to the predominant segment of your practice's client base will improve your credibility with them. It's also more likely to bring the benefits that come from good referrals. Aside from

farming or rural clients, other categories could include those shown in *Figure 1*.

Naturally, these types of cross-functional teams will benefit from the involvement of representatives from the respective client group. You may ask – “what’s in it for them?” The answer depends very much on what you want to achieve. If you want to strengthen the business relationship you have with a specific type of client, then the improved channel of communication may be sufficient value in itself. The streamlining of data collection could bring benefits for both parties while the possibility of lower business costs will win favour with your clients. The possible benefits are endless – it just takes imagination and initiative.

Case study A

One very successful team of sole practitioners has been meeting regularly on a six-monthly basis to provide mutual professional support and mentoring. The group’s principal focus is to implement best practice and provide mutual professional support. Though these practitioners are located in different parts of the country, their respective client bases are very similar. They motivate each other and regularly compete in such matters as how many new clients they can attract and how efficient their practices are. This close-knit team has worked well together for more than 10 years, with each member successfully building a strong and reputable business in their respective locality.

They hold their three-day meetings at different resort locations. An agenda is prepared by the Chair (on a rotational basis) with specific aims and objectives clearly set out, and all relevant materials are distributed before the meeting – everyone is well prepared. At other times, communication is maintained on a frequent and regular basis by email and telephone.

Case study B

A mid-sized practice with four different divisions meets monthly to develop whole-firm business strategies. The cross-functional team comprises the

divisional managers along with the practice and marketing managers. While the purpose of the team is to increase the whole firm’s client base and bring in more business, there are many factors that inhibit the team’s effectiveness.

Members attend meetings reluctantly and two of them refuse to disclose divisional, albeit strategic, information. They don’t believe the team should include the practice and marketing managers. Consequently, the effectiveness of the latter members is substantially restricted by the lack of disclosure.

There have been many attempts to improve the team’s performance with numerous changes to its membership. However, the team has become increasingly dysfunctional and is now largely dominated by personalities, while the focus on the team’s function has become more diluted.

Start your own cross-functional team

Do your homework. Ask around and find out about the cross-functional teams that other professionals use. Find out what makes them work and what doesn’t.

Once you know the purpose for having a team, you need to decide on its composition. This will include the type of expertise and individual personalities you want to work with. This may take some time, since not everyone will necessarily have the same commitment as you.

It’s important that every member, particularly sole practitioners, is fully

committed and in a position to both contribute and derive the benefits that a well-organised and focused team can deliver. If you are looking for fresh ideas, it’s worth looking outside your immediate realm of professional acquaintances. This may entail a more formal approach to potential members – perhaps a personal introduction and/or letter.

It’s important to find the happy medium by formulating procedures that will add value for each member without the burden of too much formality. This is why it’s recommended that a trial period be implemented with a solid and honest evaluation of the team’s progress at a later predetermined time. For a cross-functional team to work effectively, it’s necessary for everyone to have a clear vision of the team’s purpose and their respective role within that team. Members who simply treat such a body as a source of good ideas, but fail to make positive contributions themselves, may need to be moved on.

Don’t dismiss the value of cross-functional teamwork simply because you are a sole practitioner. The benefits of a good team are too great to ignore. To be truly effective, cross-functional teams need to be more than networking groups – they need to have a specific purpose with clearly identifiable and achievable goals. They also work most effectively with critical time paths and clearly defined tasking. Chartered Accountants in small practices can make good use of cross-functional teams. All it takes is some lateral thinking. ■

Figure 1

| Client categories | Possible cross-functional focus |
|-------------------------------------|--|
| Fashion designers and manufacturers | Costing and export issues related to fashion products and ideas |
| Other professional practitioners | Dental surgeons, for example, may value advice on quality control, suppliers, freight and related insurance |
| Executive contractors | Issues related to such things as fluctuating incomes and the implications of GST Costing jobs and projects for proposals and contracts, here and overseas |

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